

VALARI STAAB PREBIDENT & GENERAL MANAGER

August 10, 2005;

Joseph W. Heston
President and General Manager
KSBW-TV
PO Box 81651.
Salinas, California 93912

Dear Mr. Heston:

As you are aware, the Media Bureau of the Federal Communications Commission ("FCC") sent letters to KGO Television, Inc. ("KGO Television"), licensee of KGO-DT, and Hearst-Argyle Stations, Inc. ("Hearst"), licensee of KSBW-DT, notifying each station that its first found digital channel election resulted in impermissible interference to the other station ("Channel Election Conflict Letters"). In order to resolve these identified interference conflicts, and to preserve and improve service to the public to the extent possible, KGO Television and Hearst ("Parties"), are entering into this negotiated conflict resolution agreement ("Letter Agreement"). The Parties hereby acknowledge that it is in their mutual interest to resolve the interference conflicts in the proposed manner and that such resolutions serve as consideration for this Letter Agreement.

- Elections and Interference. On February 9, 2005, KGO-DT elected to operate its post-transition digital television replication facilities on its current NTSC channel 7. The channel election conflict lexter sent to KGO Television states that the facilities certified to and referenced in the KGO-DT FCC Form 381, FCC File No. BCERCT-20041105BCH ("KGO Certification"), would result in 7.8% predicted and impermissible interference to the channel election facilities certified to and referenced in the KSBW-DT FCC Form 381, FCC File No. BCERCT-20041105AAO ("KSBW Certification"). On February 10, 2005, KSBW-DT elected to operate its post-transition digital television replication facilities on its current NTSC channel 8. The channel election conflict letter sent to Hearst states that the facilities certified to and referenced in the KSBW Certification would result in 0.2% predicted and impermissible interference to the channel election facilities certified to and referenced in the KGO Certification. The Channel Election Conflict Letters provide KGO Television and Hearst with options for resolving their interference conflicts, such as entering into a conflict resolution agreement.
- 2. Acceptance of Interference. In consideration of KGO Television's agreement to socept interference; Hearst agrees to accept interference to KSBW-DT resulting from the KGO-DT facilities identified in the KGO Cartification. In consideration of Hearst's agreement to accept interference, KGO Television agrees to accept interference to KGO-DT from the KSBW-DT facilities identified in the KSBW Certification. Proposed modifications of either Party's station which, if implemented, would result in interference to the service area population of the other Party's station beyond the interference agreed to herein, shall require the written and

KGO-KSBW Interference Acceptance Agreement August 8, 2005 Page 2 of 2

further consent of the other Party. KGO Television warrants that acceptance of interference from KSBW-DT will not compromise KGO Television's ability to serve KGO-DT's community of license as required by all relevant FCC regulations. Hearst warrants that acceptance of interference from KGO-DT will not compromise Hearst's ability to serve KSBW-DT's community of license as required by all relevant FCC regulations. The public interest will be served by the acceptance of this Letter Agreement by the FCC in view of the fact that each station will be able to continue operations on their long-time channels.

- 3. FCC Approval. The Parties hereby agree that, on or prior to August 15, 2005: (i) KGO Television will file with the FCC a Form 383 (Pirst Round Conflict Decision Form) certifying that KGO Television has resolved the interference conflict with Hearst by executing this Letter Agreement; and (ii) Hearst will file with the FCC a Form 383 (Pirst Round Conflict Decision Form) certifying that Hearst has resolved the interference conflict with KGO Television by executing this Letter Agreement. The effectiveness of this Letter Agreement shall be contingent upon the approval of this Letter Agreement by the FCC.
- 4. <u>Miscellaneous</u>. This Letter Agreement may not be amended except by an instrument in writing signed on behalf of each of the Parties. This Letter Agreement constitutes the entire agreement and understanding of the Parties and supersedes any and all prior agreements and understandings with respect to the subject matter hereof. Nothing in this Letter Agreement expressed or implied is intended or shall be construed to give any rights to any person or entity other than the Parties and their respective successors and permitted assigns. This Agreement shall be governed by the laws of the State of California without giving effect to the choice of law provisions thereof.

Please acknowledge your acceptance of the foregoing by executing the countersignature below.

Name: Valari Staab

Title: President and General Manager

HEARST-ARGYLE STATIONS, INC.

Name: Joseph W. Heston

Title: President and General Manager

#### **ATTACHMENT**

#### **Public Interest Statement**

Pursuant to Public Notice of the Federal Communications Commission ("FCC" or "Commission") of August 2, 2005 ("Public Notice"), licensees that received notification of interference from the Commission may submit proposals to the FCC, together with the affected station, whereby the parties agree to accept more than .1% interference. Accordingly, KGO Television, Inc., licensee of KGO-DT, San Francisco, California ("KGO-DT"), and Hearst-Argyle Stations, Inc., licensee of KSBW-DT, Salinas, California ("KSBW-DT"), have entered into an interference acceptance agreement ("Letter Agreement"), dated as of August 10, 2005.

Licensees are required by the Public Notice to attach a Public Interest Statement to the submitted Letter Agreement addressing several public interest factors. These factors include: (1) the amount that the proposal exceeds the .1% interference level; (2) the cumulative level of interference that would be received by the affected station; (3) the availability of an in-core digital channel that the licensee could use for digital operations in lieu of its NTSC channel; (4) where the interference occurs; (5) the number of remaining services to the population in the loss area; and (6) any other relevant public interest considerations.

For the reasons set forth below, KGO-DT and KSBW-DT request the Commission to determine that approval of the Letter Agreement supports the public interest.

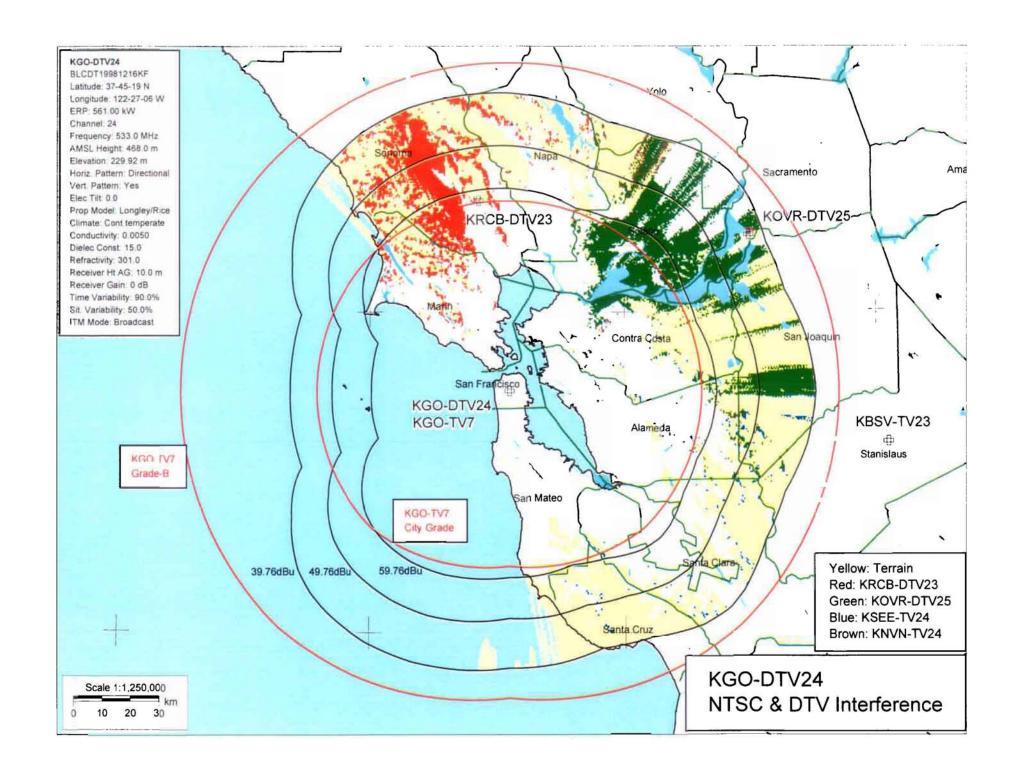
- (1) KGO-DT's election to continue operation of its post-transition digital television replication facilities on its current NTSC channel 7 will result in 7.79% interference to the channel election facilities operated by KSBW-DT, or 7.69% in excess of the FCC .1% interference level. KSBW-DT's election to continue operation of its post-transition digital television replication facilities on channel 8 will result in .16% interference to the KGO-DT channel election facilities, or .06% in excess of the FCC .1% interference level.
- (2) Including the interference caused by KGO-DT's operation on channel 7, KSBW-DT incurs 10.25% cumulative interference from all DTV stations. Including the interference caused by KSBW's operation on channel 8, KGO-DT incurs 3.99% in cumulative interference from all DTV stations.
- (3) KGO-DT could have elected to operate its post-transition digital television replication facilities on allotted DTV channel 24. However, DTV channel 24 incurs substantial interference in KGO-DT's designated market area ("DMA") from KOVR-DT, DTV channel 25 operating out of Sacramento, California—approximately 7.34%. This interference is illustrated on Attachment Exhibit 1, submitted herewith. Additionally, KGO-DT's VHF channel 7 provides greater propagation than the allotted UHF DTV channel 24. By continuing operation on its current NTCS channel, KGO-DT will be able to reach more viewers than if the station elected to operate its post-transition digital television replication facilities on DTV channel 24. Using the FCC's "after\_nca\_all\_baseline data for purposes of comparison, the facilities on VHF channel 7 would serve 6.86% more persons (6,521,806 versus 6,103,041) than could be served using UHF channel 24.

KSBW-DT could have elected to operate its post-transition digital television facilities on allotted DTV channel 10. However, KSBW-DT's current DTV channel 10 facility is directionalized to protect the NTSC channel 10 operation of KXTV, Sacramento, California. Because KXTV's allotted DTV channel is out-of-core, and KXTV has chosen channel 10 as its first round channel election, KSBW-DT desires to operate its post-transition digital facility on its NTSC channel 8 in anticipation of possibly being able to expand its DTV coverage in the future to viewers in the areas where KSBW-DT's current DTV coverage is limited by KXTV's channel 10 operation. Further, KSBW-DT's proposed use of channel 8 would permit KSBW-DT to employ its transmitting facilities associated with its long-established NTSC channel 8, which recently were optimized for future DTV operation.

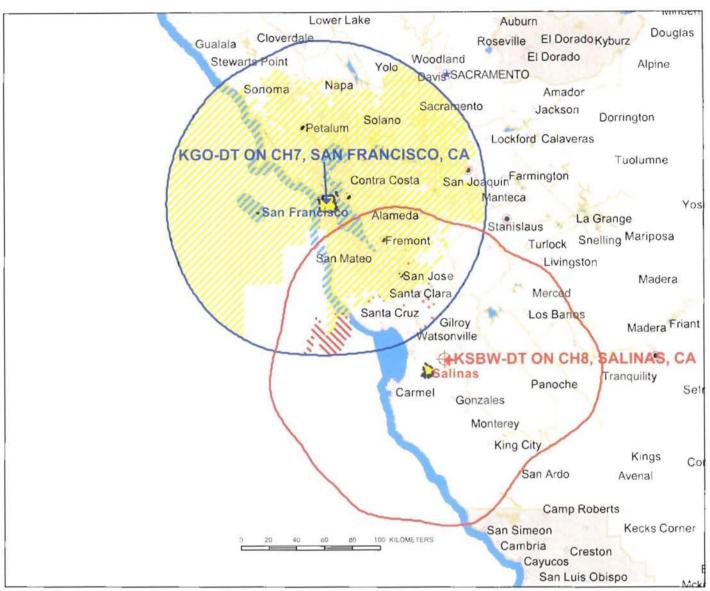
- (4) KGO-DT's operation on channel 7 does not cause any interference to KSBW-DT within the station's Monterey-Salinas DMA. The area of loss is shown on Attachment Exhibits 2 and 3, submitted herewith.
- (5) There are a number of remaining service providers available in the loss area, including:
  - (i) Seal Rock Broadcasters, LLC, licensee of KCBA and KCBA-DT (channels 35 and 13, respectively), Salinas-Monterey, California;
  - (ii) Entravision Holdings, LLC, licensee of KSMS-TV (channel 67), Salinas-Monterey, California;
  - (iii) KTVU Partnership, licensee of KICU-TV and KICU-DT (channels 36 and 52, respectively), San Jose, California;
  - (iv) Paxson San Jose License, Inc., licensee of KKPX and KKPX-DT (channels 65 and 41, respectively), San Jose, California;
  - (v) NBC Telemundo License Co., licensee of KNTV and KNTV-DT (channels 11 and 12, respectively), San Jose, California;
  - (vi) NBC Telemundo License Co., licensee of KSTS and KSTS-DT (channels 48 and 49, respectively), San Jose, California;
  - (vii) Telefutura San Francisco, LLC, licensee of KFSF-TV and KFSF-DT (channels 66 and 34, respectively), Vallejo, California;
  - (viii) Paramount Stations Group of Washington, Inc., licensee of KBHK-DT (channel 45), San Francisco, California;
  - (ix) Viacom Television Stations Group of San Francisco, California, licensee of KBHK-TV (channel 44), San Francisco, California;
  - (x) Granite Broadcasting Corp., licensee of KBWB and KBWB-DT (channels 20 and 19, respectively), San Francisco, California;

- (xi) WRAY, Inc., licensee of KCNS and KCNS-DT (channels 38 and 39, respectively), San Francisco, California;
- (xii) KDTV License Partnership, licensee of KDTV and KDTV-DT (channels 14 and 51, respectively), San Francisco, California;
- (xiii) CBS Broadcasting, Inc., licensee of KPIX-TV and KPIX-DT (channels 5 and 29, respectively), San Francisco, California;
- (xiv) Young Broadcasting of San Francisco, Inc., licensee of KRON-TV and KRON-DT (channels and 4 and 57, respectively), San Francisco, California;
- (xv) Lincoln Broadcasting, Co., licensee of KTSF and KTSF-DT (channels 26 and 27, respectively), San Francisco, California;
- (xvi) Minority Television Project, Inc., licensee of KMTP-TV and KMTP-DT (channels 32 and 33, respectively), San Francisco, California;
- (xvii) Ackerly Media Group, Inc., licensee of KFTY and KFTY-DT (channels 50 and 54, respectively), Santa Rosa, California;
- (xviii) Concord License, LLC, licensee of KUNO-TV and KUNO-DT (channels 8 and 15, respectively), Fort Bragg-San Francisco, California;
- (xix) Christian Communications of Chicagoland, Inc., licensee of KTLN-TV and KTLN-DT (channels 68 and 47, respectively), Novato, California;
- (xx) KTVU Partnership, licensee of KTVU and KTVU-DT (channels 2 and 56, respectively), Oakland-San Francisco, California;
- (xxi) KQED, Inc., licensee of KQED and KQED-DT (channels 9 and 30, respectively), San Francisco, California;
- (xxii) KTEH-TV Foundation, licensee of KTEH (channel 54), San Jose, California; and
- (xxiii) San Mateo County Community College District, licensee of KCSM-DT (channel 43), San Mateo, California.
- (6) The Letter Agreement also is in the public interest because the digital-to-digital interference between KGO-DT and KSBW-DT will be significantly less than the analog-to-analog interference that the stations currently face. Specifically, the switch from analog to digital operations will result in a 72.8% reduction in interference from KGO to KSBW. Similarly, the switch to digital from analog also will reduce interference from KSBW to KGO. Thus, because of the Letter Agreement to accept interference, viewers will realize an improvement of current service.

## PUBLIC INTEREST STATEMENT EXHIBIT 1



# PUBLIC INTEREST STATEMENT EXHIBIT 2



PREDICTED COVERAGE CONTOURS KGO-DT ON CH7, SAN FRANCISCO, CA 21.0 kW, 509 mHAAT, 540 mRCAMSL

Predicted Principal Community Coverage F(50,90) - 36 dBu



COVERAGE AREA of KGO-DT ON CH7 Strongest Signal -26 to 200 dB Area: 31,550 Sq. Km. Pop Count: 6,997,919



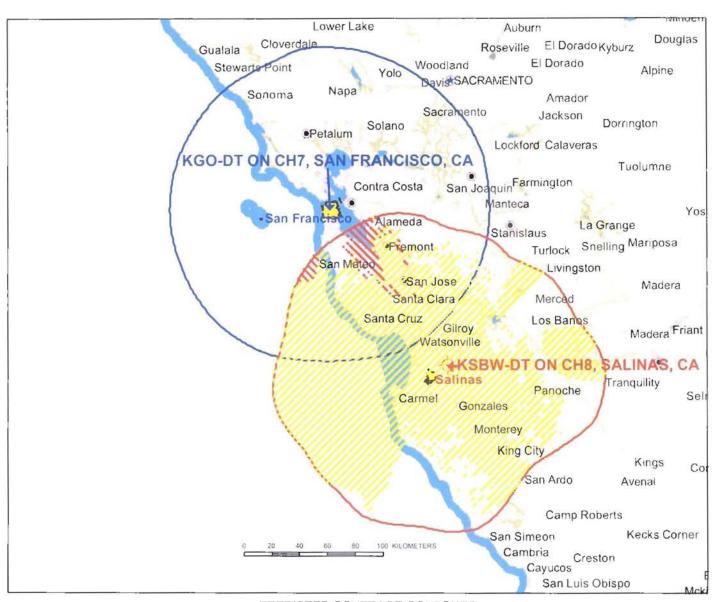
KSBW-DT ON CH8, SALINAS, CA Predicted Principal Community Coverage F(50,90) - 36 dBu - 21.4 kW, 736 mHAAT, 1034 mRCAMSL, D10CASALINAS \_\_08 D-ANT

INTERFERENCE AREA due to KSBW-DT ON CH8 Strongest Signal -100 to -26 dB Area: 552.7 Sq. Km.

Pop Count: 8,406



## PUBLIC INTEREST STATEMENT EXHIBIT 3



PREDICTED COVERAGE CONTOURS
KSBW-DT ON CH8, SALINAS, CA
21.4 kW, 736 mHAAT, 1034 mRCAMSL, D10CASALINAS 08 D-ANT

Predicted Principal Community Coverage F(50,90) - 36 dBu

KGO-DT ON CH7, SAN FRANCISCO, CA Predicted Principal Community Coverage F(50,90) - 36 dBu - 21.0 kW, 509 mHAAT, 540 mRCAMSL, 24CASAN\_FRANC\_07

COVERAGE AREA of KGO-DT ON CH7 Strongest Signal -28 to 200 dB Area: 25,000 Sq. Km. Pop Count: 2,465,744

INTERFERENCE AREA due to KSBW-DT ON CH8 Strongest Signal -100 to -28 dB Area: 764.1 Sq. Km. Pop Count: 606,109





SAN FRANCISCO AND SALINAS COUNTIES

# PUBLIC INTEREST STATEMENT DECLARATION OF ALFRED E. RESNICK

### Declaration of Alfred E. Resnick, P. E.

I am a consulting engineer, an employee of the Carl T. jones Corporation with offices in Springfield, Virginia. My experience and education are a matter of record with the Federal Communications Commission. I am a registered professional engineer in the Commonwealth of Pennsylvania, PE-027589E.

This office has been authorized to prepare engineering studies and fugures in support of filings on behalf of the ABC Owned Television Stations.

The data and calculations contained in the engineering portion of these submissions was prepared by me or under my direct supervision. Where data were available for the FCC, these data were employed, and in other instances, accepted engineering practices, Longley-Rice calculations per OET Bulletin 69, February 6, 2004 edition, nad other guidelines as contained the Commission's Rules were employed.

As to these data and results, I verily believe them to be correct.

Alfred E. Resnick, PE

Dated: August 15, 2005